(b) if so, the details of such companies and action taken, if any, again them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) and (b) Mauritius allows incorporation and registration of offshore companies for making investments in other countries includig India. Such companies are eligible to avail the benefits under the Double Taxation Avoidance Convention with Mauritius.

The treaty benefits were denied by the Assessing Officers in Mumbai to 24 Mauritius based companies for the assessment year 1997-98 in the orders issued in March, 2000.

Direct Tax Tribunals

253. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

the total number of Direct lax Tribunals in the country alongwith the number of cases pending with each of them as on 31st March. 2000, location wise;

the details of outstanding loans recovered by Direct Tax Tribunals over the past three years;

the details of fresh directives issued by the Ministry of Finance to the Tribunals and recovery targets set for the current year, and

whether there is any proposal for setting up more such Tribunals in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) Sir, there is only one Income lax Appellate Tribunal (ITAT) in the country under the administrative control of the Ministry of Law & Justice. The pendency of cases with the Income Tax Appellate Tribunal as on 31.3.2000 is 2,62,652. However there are 14 Debt Recovery Tribunals and 4 Debt Recovery Applelliate Tribunals in the country. The number of cases pending with 14 Debt Recovery Tribunals is 37889 as on 31.3.2000.

(b) The Income Tax Appellate Tribunal does not recover outstanding loans, however, outstanding loans recovered by the Debt Recovery Tribunals as on 31.3.2000 is Rs. 1398.40 crores.

(c) The instructions are issued to the banks from time to time to take necessary steps to recover the money from the borrowers. The banks are required to

file the cases involving a sum of Rs. 10 lacs and above where they find that all means of recovering the advances have failed. No targets for individual banks have been fixed.

(d) Eight more Debt Recovery Tribunals and one Debt Recovery Appellate Tribunal are in the process of being set up.

Default on payment of maturity of debenture

254. SHRI **VIJAY J.** DARDA: Will the Minister of FINANCE be pleased to state:

whether SEBI has tightened the guidelines for debenture faults;

if so, the details thereof;

the names of the companies in steel and pharma sector who have defaulted on payment of interest and principal to investor on maturity of debenture and action taken against the defaulting companies; and

the details of action taken/proposed to be taken against LLOYDS financial services and Paam Pharma companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) and (b) In order to enhance the protection to investors, the Securities and Exchange Board of India (SEBI) is in the process of amending the SEBI (Debenture Trustees). Regulations to provide for *inter alia,* an arms length relationship between the issuer and the trustee; disclosure of additional details in the offer document such as statement of the assets on which charge is to be created and the ranking of charge, security cover and the basis of its computation, valuation methods and periodicity etc.

(c) The names of the companies in the pharma and steel sector which have defaulted in the payment of interest and principal are provided in the Statement *{See below.)*

(d) SEBI has been informed by the trustees for Lloyds Finance Ltd. that a suit has been filed for recovery of dues amounting to about Rs. 2668 lakhs, appointment of receiver and injunction. The trustees of Paam Pharma Pharmaceuticals (Delhi) Ltd. have informed SEBI that the debenture liability amounts to about Rs. 1590 lakhs. The company has been referred to BIFR and therefore the trustees have not been able to take action. However, the trustees have reported that security has been created for the debentures.